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A Key Senator Calls on Marcos To Step Down

Durenberger Cites Lack of Reform by Manila

By BILL KELLER
Special to The New York Times

WASHINGTON, Nov. 1 — The chairman of the Senate Select Committee on Intelligence said today that President Ferdinand E. Marcos of the Philippines was incapable of bringing about reform and should step down.

The Senator, Dave Durenberger, Republican of Minnesota, spoke at a news conference called to issue a committee staff report on the worsening economic, military and political situation in the Philippines.

The committee report made public today cited the growing momentum of the New People's Army, the military arm of the Philippine Communist Party, and predicted that the Philippines had less than three years to make fundamental changes before civil unrest and the Communist insurgency bring down the Government..

Change Called 'Very Unlikely'

Despite American pressure for reforms, the report concluded, a change of course by Mr. Marcos "is very unlikely, and there is serious doubt whether the Marcos regime still has the administrative and political capability to initiate reforms even if it were so inclined."

Although the staff report made no recommendations, Mr. Durenberger told reporters, "I am hopeful that Marcos will step aside, and, as he does, institute the process" of setting up fair elections.

Visits and Classified Briefings

Mr. Durenberger also dismissed Mr. Marcos's prediction in an interview Thursday with The New York Times that the Philippine military would defeat the guerrillas within a year. Mr. Durenberger said Mr. Marcos's sanguine view of the Communist insurgency "flies in the face of reality."

The 41-page report by a staff team, based on visits to the Philippines and classified briefings by intelligence agencies, was issued over objections of some members of the intelligence committee who felt the panel should not break its custom of operating in secret.

Committee aides said no members raised objections to the findings in the report, which included these points:

¶Corrupt economic monopolies benefiting the Marcos family, its "cronies" and senior military commanders have so choked the Philippine economy that "even under the most optimistic projections" the economy will not regain its 1980 economic levels until 1990. Even then, the majority of rural Filipinos will still be living in poverty, with an annual income of less than $160.

¶The military response to the Communist insurgency has been "inept," marked by inadequate military spending, poor logistics and medical care and "an increasingly corrupt and politicized senior officer corps."

¶The Marcos Government "has done nothing effective to arrest the sharp decline in popular support since the Aquino assassination or to groom a successor." The reference was to the slaying in 1983 of the opposition leader Benigno S. Aquino Jr.

¶The New People's Army has expanded from a few thousand armed guerrillas in 1980 to more than 15,000 regulars and a similar number of armed, part-time irregulars and "now poses a credible threat to the survival of the Philippine Government."

Possible Ties to Moscow

The report said that while the New People's Army still relied on captured weapons and money extorted from local businesses, "the ingredients are present" for a sudden development of ties to the Soviet Union.

The report said there was "no convincing evidence" Moscow had provided money to the Philippine Communist Party. But it said that front groups of the Philippine Communists had received "some external funding" from leftist, Social Democratic organizations, particularly in Europe, and that Moscow had made indirect contacts through the Soviet-controlled World Federation of Trade Unions.

The report cited several "hopeful elements" in the Philippines, including the influence of the Roman Catholic Church; a group of junior military officers who are more professional than their "corrupt" superiors, and efforts by moderate opposition groups to organize behind a candidate to succeed Mr. Marcos.

Some Reagan Administration officials and supporters in Congress have indicated in private that they believe it is time for Mr. Marcos to quit, announce prompt elections to put in place a popular government and begin bracing the country against the growing Communist insurgency.

But officials have shied away from making such statements in public, or, apparently, to Mr. Marcos himself.

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